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Honolulu, Hawaii

MAR 1 7 2014

RE: H.B. No. 570

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred H.B. No. 570 entitled:

"A BILL FOR AN ACT RELATING TO CONTRACTORS,"

begs leave to report as follows:

The purpose and intent of this measure is to increase the fine against unlicensed contractors who commit licensing violations against elderly persons.

Your Committee received testimony in support of this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs, Contractors License Board, and Subcontractors Association of Hawaii.

Your Committee finds that many victims of unlicensed contractors suffer in some way, from losing down payments to facing the effects of poor workmanship. Elderly victims of unlicensed contractors are particularly vulnerable because they may have fewer resources. According to testimony from the Regulated Industries Complaints Office, for the last five years, the office has investigated or prosecuted at least forty-seven contracting complaints involving elderly persons. Your Committee further finds that the fine amount for unlicensed contractors who commit licensing violations against elderly persons has not increased since 1996. This measure increases that fine amount from \$10,000 to \$20,000 in an effort to more strongly deter unlicensed contracting violations against the elderly.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 570, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Commerce and Consumer Protection,

ROSALYN H BAKER, Chair

The Senate Twenty-Seventh Legislature State of Hawai'i

Record of Votes Committee on Commerce and Consumer Protection CPN

| Bill / Resolution No.:* | Committee | Referral: | Da | ite: | |
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| HB 570 | CPN | WAN | 1 | 3 13 | 14 |
| The committee is reconsidering its previous decision on this measure. | | | | | |
| If so, then the previous decision was to: | | | | | |
| The Recommendation is: | | | | | |
| Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313 | | | | | |
| Members | | Aye | Aye (WR) | Nay | Excused |
| BAKER, Rosalyn H. (C) | | | | | |
| TANIGUCHI, Brian T. (VC) | | 1 | | : | |
| NISHIHARA, Clarence K. | | | | | |
| WAKAI, Glenn | | | - | | |
| SLOM, Sam | | | | | |
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| TOTAL | | 4 | U | 0 | <u> </u> |
| Recommendation: Adopted Not Adopted | | | | | |
| Chair's or Designee's Signature: | | | | | |
| Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy | | | | | |

*Only one measure per Record of Votes